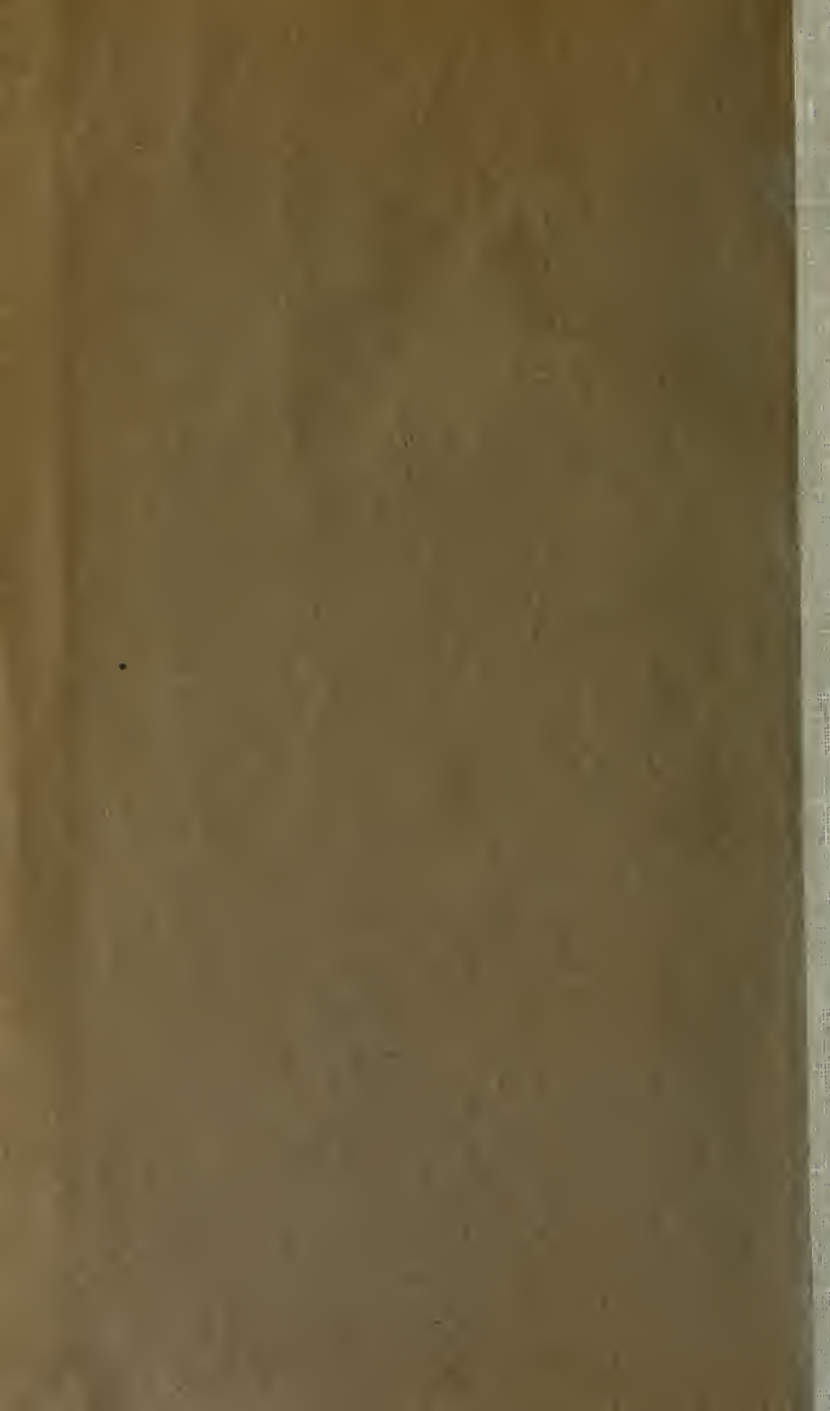


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LEGISLATION GONE ASTRAY;

OR,

A REVIEW

OF THE

BANKING CONTROVERSY,

AND

THOUGHTS

UPON THE INEXPEDIENCY OF PUTTING DOWN

THE

~~One-Pound-Note~~ Circulation;

to which is added,

A PLAN

FOR THE

PREVENTION OF FORGERY

OF

BANK OF ENGLAND NOTES.

Mutato nomine de te fabula narratur.

LONDON:

J. M. RICHARDSON, 23, CORNHILL.

1828.

THE

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P R E F A C E.

THE public have been pretty well saturated with pamphlets relating to Banking and Currency Questions. The Bullion Report first led the way, as a light shining in darkness; afterwards, every gentleman who could make a verb agree with its antecedent, thought it right to “approach the question of currency,” and to trouble us with his thoughts. Hence, upon this subject, such a flight of pamphlets lighted upon the town as was never known in the memory of the oldest man.

It is not *my* fault that they have not been more generally read, and understood; cotemporary with their appearance there arose a strong feeling that our Criminal Code wanted *softening*; and I proposed, in a letter to the editor of a

morning paper, that many crimes now punishable with fine and imprisonment, such as slander against the King, or against individuals ; abduction ; seduction ; running away with a ward in Chancery ; conspiring to produce a *run* upon a country bank, &c. &c. I proposed to change and soften the punishment (if softening it can be called) and to compel the guilty parties to stand upon a *form* in the nearest market-place, to read through the Bullion Report, and the whole of the above pamphlets, *and never to leave the form until they understood them*. Unhappily for the public, but happily for all wards in Chancery, who would *never* have been liberated had my plan succeeded, the editor most unkindly refused to insert my letter, and the public were thus deprived of two objects most dear to them, viz. Instruction upon the Currency Question, and an amelioration of our Criminal Code.

Perhaps I had better inform the reader, at once, what he may expect to find in the following pages. Whilst the public have been loud in inveighing against the Country Bankers, and in putting down their one-pound notes ;—whilst the

hair of many gentlemen has “stood on end” at the many failures that have taken place amongst them;—whilst we have been desired to believe that society has been “loosened from its foundations” by their paper anticks, and from the “facilities” which they possess to *carpet* the country with their notes; in the midst of all this din I have remained quite unmoved. I have seen nothing from the beginning to justify all this uneasiness, and I have seen nothing, according to my view of the subject, to justify the interference of Parliament.

In a few words I will explain the foundation of a great deal that is to be found in the following pages. I think we ought never to have meddled with these one-pound notes.—That it is inconsistent and fantastical to single out a class of men and manacle them, because their one-pound notes are said to take gold out of the country, to produce panics, and vicissitude of prices, and, when unpaid, largely to affect the condition of the poor; when, at the same time, we suffer *currency of another sort* differing only in name—Bills of Exchange, &c. to move about

unmolested, and without limit, which also carries away gold, produces panics and vicissitude of prices, and, when unpaid, largely affects the employment and subsistence of the poor.

Having now fairly launched my little bark, may I be allowed to take advantage of a few minutes, while the sails are filling which are presently to propel me into the dark and stormy ocean of controversy, to beg of all such who are hostile to my flag to treat me according to the acknowledged laws and courtesies of civilized warfare. Descending to simple language,—to let me have *fair play*. The following is my idea of what fair play consists.

At the school where I was brought up, it was the custom for the boys every week to write themes; various were the subjects; upon history, upon moral and political philosophy. The master, who was a liberal man, said he did not care what boys thought or wrote upon these subjects, so as they supported their views by something like reasoning. He was a most strenuous advocate for free and fair discussion, believing *that* to be the best corrective of bad measures, bad

principles, and bad opinions. I will here add that, from the description, I am sure he is the same man come to life again whom Mr. Brougham mentions as being now "abroad."

One of the subjects submitted to us was the "discovery of the mariner's compass and the blessing it had proved to mankind." On this occasion, one of the boys, to our great surprise, started with saying that he had strong doubts from the *use* mankind had made of the blessing, whether we should not have been better and happier if we had remained in our primitive state of locality and ignorance. In his theme he took a long review of the slaughter and desolation which nations had inflicted on each other from their first acquaintance. He noticed one nation in particular, possessing great "facilities" of navigation, which had greatly exhausted her strength and happiness in pursuit of objects of ambition and glory; observing that, although she had come out of all her battles with her brows bound with victorious wreaths, yet she had so embarrassed herself in the fray as

afterwards to resemble the situation of a squeezed lemon.*

Looking, therefore, at all circumstances, he doubted, or *professed* to doubt, whether mankind had gained any thing by the discovery. Now, along with some very questionable statements and inferences, there was in this theme some fair discussion, and accordingly it was suffered to pass.

On another occasion we were desired to write on the state of the Roman Empire, during the reign of the Emperor (I forget his name), and it was required of every boy to allude to the destruction of Pompeii, as the most important historical event of his reign. Now, whether it was from an amiable weakness to believe in *no* wonders, excepting such as happened in his own

* I must do the boy the justice to say that, although in this allusion he produced a smile against his own country, yet he afterwards acknowledged with gratitude that, embarrassed as she was, she could yet keep the world in awe by holding up her finger.

county, (for at that time Mr. Waterton had not travelled,) but a fine, rosy-faced boy from Yorkshire, to whose uncorrupted mind the spectacle of a volcanic eruption burying a whole city in ruins appeared a perfect fable, insisted that the whole story was a fiction, and declined to slander his valuable time by introducing the subject into his theme. The master, thinking that such a line of conduct overleaped the bounds of all free discussion, or rather was no discussion at all, since it was merely a negation of an historical fact under every body's nose, rang the bell, and giving the theme to the servant, desired him to light the fire with it.

Now, in the following *theme* submitted to the public, there are many statements and inferences which may reasonably admit of doubt. Let them be fairly examined into; but while I thus lay myself open to every species of fair criticism, may I intreat that this work may be protected from the rough hands of those who, after the fashion of our Yorkshire friend, make attacks which are not warranted by any rule of fair discussion.

One word more before *I pull up the anchor*. It has been observed to me by one for whose judgment I have a great respect, that I have not, in the following pages, treated the subject with a seriousness suited to its importance; while I acknowledge the justice of the rebuke, I must beg the reader to believe, notwithstanding occasional sallies of mirth and levity, that I am deeply impressed with the belief that, in the step we have just taken, we have been "led astray."

LEGISLATION GONE ASTRAY,

&c. &c.

NOT more puzzled was Lord Byron to find a hero for his celebrated poem, than I have been to find a *beginning* to this work. Oh! if the public knew the difficulty which a young author felt in *starting*, they would be more compassionate towards scribblers. Walking up and down the room for at least half an hour, it had nearly proved fatal to my design, when taking up the "Morning Herald" my eye rested upon an advertisement, which not only furnished me with a beginning, but also with a hero. "This day is published, second edition, illustrated with plates, and a portrait of the ingenious Author, The Art of Tying the Cravat, exemplifying the Advantages arising from an elegant

Arrangement of this important Branch of the Costume, preceded by a History of the Cravat, from its Origin to the present Time, and *Remarks on its Influence on Society in general*. By H. Le Blanc, Esq."

Every man has a hobby of his own. The ingenious author of the above work, no doubt, believes that society in general is greatly influenced by the mode in which people tie their neckcloths, and that when the world becomes shaken to its centre, it is entirely owing to gentlemen's neckcloths being improperly tied. He has a *right* to his opinions. A venerable major (now no more) ascribed all the evils which afflicted society, in his time, to the want of a full, fair, and free representation of the people in parliament. It was "*like the air we breathed, if we had it not, we died.*" A popular writer, taking another view, lays all our troubles at the door of the currency; whether his children sicken, whether he loses his crop of kidney-beans; the violets in his garden wither; if his cows fall short of their accustomed supply of milk; let even his dogs get the distemper,—it is the currency; it is a distempered circulation, and *nothing else*, which produces all this animal and vegetable strife.

Others attribute all our sorrows to vaccination. Perhaps I had better, at once, tell my readers

what *my* nostrum is, as well as what it is not ; particularly as it will bring us in immediate contact with the subjects I am now about to discuss.

First then, I do not think our present derangement has any thing to do with what is called "Parliamentary Reform." Neither, secondly, if the ingenious author will permit me to differ from him, do I think the world has been brought into its dislocated state from a bad and careless method of tying its neckcloth ; and for this obvious reason, that "society in general" seems, for some time past, to have avoided the tie altogether, and to have fastened its neckcloth by a buckle behind. Nor do I think that vaccination, as a first cause, has any thing to do with our embarrassments ; but I think that a large share of the derangement with which we are now afflicted has been brought about by a constant intermeddling with the currency, and with (as a necessary consequence) the banking and mercantile business of the country ; and that the new measure we have just resolved on, viz. the putting down of the one-pound notes, will only add fresh fuel to our embarrassments, since, besides producing more evil than it has got rid of, it must necessarily lead us into a sea of legislation upon questions connected with Banking and Currency, to which I see no end.

Out of this fresh intermeddling has sprung up what is called the "Banking Controversy," Parliament having permitted the Bank of England to establish "Branch Banks," and, of course, materially to injure the business of the Country Bankers. The Country Bankers complain that it is hard upon them that a powerful company like the Bank of England, who have acquired wealth by means not open to the rest of the community, should now come and seat themselves down in their neighbourhood, and by means of their power and wealth, *thus acquired*, take away their business and means of subsistence. The Bank, on their part, say, what no one can doubt, that in the step they have taken they have not been influenced by any view to aggrandize themselves, but have only yielded to the wishes of His Majesty's Ministers. Government, on its part, defends the measure of putting down the one-pound notes, and establishing Branch Banks, on account of the serious mischief the community at large, and particularly the poor, have received from the insolvency of the Country Bankers in 1825-26.

These, I believe, form the *gravamina* of the "controversy," which presently we shall largely discuss; but, first, it is impossible not to be struck with the contemptuous, the cruel manner in which one of the belligerents has been

treated. Both in and out of Parliament, the Country Bankers have been assailed by every epithet that could designate them as a pest to society. Whilst the press generally has dealt out very hard blows, one journal, in particular, alluding not long since to the controversy between the Bank of England and the Country Bankers, which of the two was to supply us with the circulation, compared *both* parties to a couple of "shagtails" quarrelling for a bone, which belonging to neither of them, but was the property of their master, George the Fourth. Pretty hard words these! It would be nothing if the rest of the press had not, treading in the steps of their great Coryphæus, lent all their strength to vilify and insult the Country Bankers. In selecting The Times journal to complain of, I only do so because it is a journal of the most extensive circulation and influence. It is conducted with singular talent. Any man who is a judge of composition (the above is not an example but an exception) must see that it is no common mind which moves the pen that writes its "leading articles." It possesses a giant's strength, and towards the Country Bankers it has used a giant's tyranny.

Even Parliament has caught the contagion: whilst all other classes of men have their friends, the West-Indian interest, the silk trade, the Ca-

nada Company, Hackney-coachmen, the Drivers of Cabriolets, Operatives, north and south, hardly a finger seems lifted in Parliament on behalf of the Country Bankers.

Only a short time ago, a minister of the Crown, a man whom we all look up to, a most accomplished man of business in this nation of men of business, what does the reader imagine *he* called the Country Bankers? Speaking of the expediency of stripping them of the power of issuing one-pound notes, he said, that they were “usurping the King’s prerogative of making money.” Now, when two people quarrel, and one calls the other “fool, blockhead, spend-thrift,” the terms are intelligible enough; but if one were to say to the other, Oh, you old alligator! it would be difficult to know the precise meaning intended to be conveyed. So, in the present controversy, a word has been used which, although I have taken considerable pains to understand, thinking of it every day at my meals, I can assure the reader that I am still in darkness as to its application, though not, perhaps, as to the *meaning* of the minister. Indeed, after puzzling myself a great deal, I am not satisfied that *alligator* was not the word intended to be used. It *means*, I suppose, the law empowering his Majesty, and his Majesty only, to coin and issue money, that the issuing of one-pound notes by

the Country Bankers is an usurpation of the right thus vested in the King ; *ergo*, the Country Bankers are usurpers. To begin, I confess I cannot see the analogy. But why confine the charge to the issuers of one-pound notes ? Are not men who raise and coin money in the shape of five-pound notes usurpers also ? What of men who coin in the shape of promissory notes or bills of exchange ? Are they not usurpers too ? I apprehend it can make no difference in the question of usurpation (supposing it be usurpation) whether a man raises money or coins (as it is now called) in the shape of ten one-pound notes, payable to bearer, or in one note of ten pounds, payable to bearer, or whether the obligation he issues is in the shape of a bill of exchange, payable to order, payable to-day, to-morrow, or next day, or two months hence ; in all these cases the act done *is the same*, viz. issuing the symbol or representative of value, *i. e.* raising money or *coining*.

This new view of our currency ; this new light which has suddenly bursted upon us, places all mercantile men who accept bills in a very embarrassing situation. It is clear that they are *all* usurpers ; even his Majesty's ministers are not safe, for if it be true that to issue a one-pound note is to "usurp," they (the ministers) have been guilty for five-and-twenty years of a mis-

prison of treason in not communicating the fact to the law-officers of the Crown. The apology of ignorance they cannot plead; for, since they have now turned King's evidence, they have permitted Scotland, an integral part of the empire, to issue one-pound notes, and have thus aided and abetted her in her traitorous designs against the King. The only way they can possibly get out of the scrape would be to pass an act declaratory that what was usurpation to the south of the Tweed was not usurpation to the north of it; to make treason, in short, a geographical question.

It will, most probably, turn out that the word has been *unadvisedly* used, and that there exists an act of Parliament expressly made for the convenience of the "trade of this kingdom," to permit private persons to issue obligations under £5. If this be the fact, my reader, who have read the elegant tirade of The Times newspaper, and the not less elegant imputation of Mr. Huskisson, will absolve the Country Bankers from this sin, *to begin with*. Should I be mistaken, I can only say,—

Cruel are the times when we are traitors,
And do not know ourselves.

As if the Country Bankers had not encountered

their share of public odium, it was proposed, in a letter addressed to a morning paper of great circulation, about the time that the bankers had assembled in London, last winter, to lay their case before Government,—it was proposed that some one should go to their great meeting and catechise them, for the good of the public, as to the mode in which they transacted their business: for instance, what assets they usually kept by them to meet their outstanding circulation; whether they were not in the habit of including, in their general balance at Christmas, debts which they *knew* to be bad, merely to impose upon their own clerks, and, through them, to impose upon the public, as well as also to learn a variety of circumstances connected with their private affairs. As I observed before, one might leave such observations to die a natural death, and let the good sense of the public have its sway: but, unfortunately, as I will presently endeavour to shew, that, upon this very simple question of banking, the public have gone fast to sleep. From that sleep I will now endeavour to wake them, not by rude and violent means, such as would ill become me; not by hallooing, but by gently pouring in their ears, as connected with this fresh tampering with our currency, the opinions of persons to whom, hitherto, they have looked up with esteem and veneration. To re-

turn to the subject, it will hardly be credited that there has appeared in print the skeleton of a bill, of which a noble and learned Lord is the reputed father, to compel Country Bankers to render up, every year (I believe, every three months), an account of their circulation : I confess I feel the greatest curiosity to know and comprehend upon what principle this can be justified. To my “ uncorrupted mind ” a banker is a mere *trader*, a *dealer* in money ; and why he is to render up an account of his paper obligations to the inspection of “ commissioners ” any more than a manufacturer, a merchant, or a London banker, are to render an account of *theirs*, it is quite beyond me to understand.—Once *begin* this inquisitorial system, it will be *next* required for a merchant to render an account, periodically, of the quantity of sugar he holds ;—for a provision dealer to state the quantity of dried hams he has on hand ;—and for a tailor to surrender an account of the quantity of broad-cloth in his house.—They differ only in name. Is it that when the Country Banker fails he produces distress, and *therefore* he is to be watched ? If this be the plea for legislation it has, at least, the recommendation of novelty ; and we shall presently see that if Parliament are to take people’s affairs under their protection who issue obligations, then fail, and scatter around

them poverty and misery, we can give them plenty of employment in the immediate meridian of Greenwich.

In reference to the meeting of Country Bankers in December, I appeal to any man's sense of justice, whether it is right that men who had honourably paid their engagements and had assembled together to lay their case before Government, should be intruded upon, and baited by an inquisitive public, as to the manner in which they conducted their business. Why stop here? Why not enter into their domestic affairs? The transition from one to the other is so exceedingly simple and obvious that, having once *dropped in*, it might be desirable to extend one's inquiries, and ask what quantity of wine they had in the cellar during the panic; what they give a pound for their meat; whether they get their beer from "Calvert's entire," or from "Thompson's entire," (both very excellent brewers); to ask the bankers when their wives lay in last, how many children they have got, distinguishing the sex, age, &c.; whether the children have had the measles, the cow-pox, the chicken-ditto; who their godfathers and godmothers were, and what did those godfathers and godmothers promise for them. I see as little impropriety in asking *these* questions, as in asking questions relating to their banking affairs, which

concern *no one but themselves*. With regard to the bill of the noble and learned Lord, *should such a bill ever pass*, I sincerely hope it will be followed up by another to appoint commissioners to watch over (and what so important?) the *health* of the Country Bankers; to empower them to inquire into the state of their bowels; to examine their tongues every morning: should they look unhealthy, to report the same immediately. To apply, when necessary, a strong laxative in the shape of—

R Olei Tigllii guttas X pulv. Jalap: ʒii.

Extr. Coloc. Co. ʒi M ft. Pilul. XX.

Or in cases of a *run* upon the Bank, a composing anodyne in the shape of—

R Tinct. Opii. ʒii. Acetat. Morphini gr. X.

Infusi Papav. ʒii Mfr. Haustus pro re natâsumendus.

Or it might even be right upon the true principles of political economy, to appoint nurses to put them to bed, and to see that they were properly tucked up, that they might rise the next morning; and, like young “eagles that have lately bathed,” full of health and vigour, resume, afresh, the duties of the day.

If it is said that this is satire, and not argu-

ment, I answer that I should only be slandering my own and my readers time in soberly refuting such empirical attempts at interference; totally unworthy of the wisdom of Parliament, and only fit for No. 22, Church-street, Soho !*

Amongst other charges laid at the door of the Country Bankers, it is said that they were the primary cause of the panic in 1825-6. Never can I cease to think that it was London, and London alone to whom the sole merit is due of having originated nearly the whole of the bubbles and the whole of the loans, the bursting of which led to the panic which has since produced

* It does not belong to the subject, except as shewing an itching for legislation, and how the best of us may be "led astray." I allude to the celebrated marriage-act, passed a few years ago, compelling persons about to be married to plaster their names on the church-door a fortnight or three weeks previously. It was the greatest insult ever inflicted upon the education and feeling of the country. Is it to be endured that, while a woman's thoughts are wrapped up in the contemplation of the solemn, sublime, and awfully religious rite she is about to go through, which is to affect her destiny here and hereafter; is it to be endured, that *such* thoughts are to be broken in upon by the reflection that her name, along with that of her betrothed, is exposed to the gaze and gibes of the profligate? Oh! on that fatal day how we sunk as a *nation of cavaliers*! Thank God! the bill no longer exists. If it sprung out of what is called the science of political economy, may that science be for ever blotted out from the face of the earth.

so much poverty in the world. Nothing is so easy as to make charges, but to shew it was the circulation of the Country Bankers which brought these loans into life and activity, one ought first to shew that, cotemporary with the birth of these bubbles, there was an increase of the circulation of country-bank-paper. Now, it appears from documents which have appeared in the *New Times*, that the issue of Country Bankers was less *then* than it had been for two years preceding: even if the issue had been larger, it is unfair to fasten the panic upon the shoulders of the Country Bankers, unless it can be shewn that such increased issues came in contact with the loans and produced the ruin that followed. It would be more rational if one had said that, instead of being *principals*, they were aiders and abettors in common with nearly the whole banking and mercantile interest of the country; that, partaking of the general delusion to get rich in a hurry out of the bowels of South America, they overshot their mark and burned their fingers. It would be just as fair to single out a part of the ocean on the coast of Devonshire, and say that it was the cause of the dreadful irruption in 1824, as to charge the Country Bankers with having produced the panic in 1825. As the ocean, in this case, was a mere instrument torn and convulsed by mighty waters in its rear, so it was

the mighty ocean of paper money in London, which, getting diseased from a number of stinking bubbles which had long floated on its bosom, became distracted and deranged, and communicating with its tributary waters, (the Country Bankers,) they, one and all, were infected with the disease of their common parent, and assisted, in different degrees, to produce the fatal pestilence we have just alluded to.

Here let it *never be forgotten* that we were only saved from utter destruction by having recourse to the assistance of those very *one-pound notes*, the existence of which we had declared to be incompatible with our prosperity and safety. So much for the manner in which the Country Bankers have been treated.

So little have I been infected with the fashion of calumniating them, that I see circumstances belonging to this controversy which entitle them to very different treatment. It is not like a controversy between two rival bankers, or it might appear strange that the Bank of England should ask permission of the Country Bankers, when and where they may establish their Branch Banks. The Bank of England has long *ceased to be a private establishment*. Only now alluding to it as a matter of history, and not meaning to discuss the policy of the measure, it is well known that the Bank, carrying on business as

private Bankers, did, in 1797, suspend their payments. There was, at that time, a great drain of gold ; we were engaged in a frightful European war, and France was threatening us with invasion. These circumstances were the alleged foundation of the Bank Restriction-Bill. Now every Country Banker, every man in business was *more or less affected* by the circumstances which produced the above Bill ; a bill passed for the exclusive *salvation* of the Bank of England. Many Country Bankers yielding to the pressure of those times broke down ; others proudly held up their heads, paying all their engagements. Those who thus weathered the storm and whose establishments *still* exist, have great reason to complain. Here is an establishment of private persons carrying on business and faltering in its engagements, from what *cause* we will not now inquire, the *fact* being all we have now to deal with. Parliament throws its shield round the Bank, and passes a bill to make it legal for them *not* to pay their engagements. They continue for twenty years to carry on business as bankers, issuing paper obligations to an immense amount, and never paying them ; acquiring by *these means* immense wealth and power, whilst all the Country Bankers in the kingdom who, in different degrees, were affected by the pressure of those circumstances which induced Parliament to take the

Bank under its protection, were obliged to conform to their engagements under pain of the Gazette or imprisonment, having no minister at *their* elbow to protect them from the consequences of their indiscretion. The Bank of England, with this overwhelming wealth and power *thus acquired*, have now planted themselves in different great cities where bankers exist, *such* as I have described, and, under the plea of teaching them the true science of banking, they take away (for who can compete with them?) nearly the whole of their business and, of course, their means of subsistence. This curious anomaly as it regards the situation of these two belligerents is not undeserving of notice.

It has, however, nothing to do with Parliament, which, overlooking private considerations, legislates only upon public grounds. It has just abolished for ever the circulation of the one-pound country notes, and I will now endeavour to show, what indeed formed the principal design of these pages, that, along with a little good, we have in this new and unexpected tampering with the currency, laid the foundation of a great deal of evil. I am afraid I shall be obliged to draw largely upon the patience and attention of the reader, for, at the bare mention of the word "currency," so many ideas rush upon one's mind that one cannot give utterance to them all, and

how to arrange them, and where to *stop*, having once begun, is the difficulty. I shall be obliged again to seek for relief in the pages of the Morning Herald to assist me to terminate this work, having so kindly lent me its aid to begin it.

I will endeavour to show that from the commencement this has never been a case to legislate upon. That we ought never to have interfered with a currency such as we now have, convertible into money at the will of the holder, and that in having done so, we have made a fresh start in the science of political economy, as well as a new start in legislation to which I see no end; that we have flown in the face of the best of all book authorities, Adam Smith, and the best of all practical authorities, Sir F. Baring, Mr. Horner, and a variety of others, who, while they were sensibly alive to the mischiefs of a non-convertible paper currency, and spoke in no measured terms of that vicious system of circulation, such as it was the lot of this country to put up with during the darkest hours of her history, saw nothing to alarm them in the spectacle of a *paper circulation immediately convertible at the will of the holder*.

Here, no doubt, I shall be told that it was because the paper money was not convertible; it was because almost all the issuers of this paper failed, that Parliament thought it right to inter-

fere, and put down the one-pound notes; that persons of little or no property have had “facilities” of issuing these one-pound notes; that they have afterwards failed, produced a great deal of distress, and affected the subsistence and employment of the poor; that these one-pound notes are apt also to produce panics and along with them great vicissitude of prices dangerous to the prosperity of trade. These, in fact, form the grounds of parliamentary interference.

To begin with the first, viz. there has been a great number of failures amongst the Country Bankers, that they have produced great distress, and struck at the employment and subsistence of the poor: this only means, I suppose, that it is very wrong that Country Bankers should contract engagements, and afterwards not pay them. It is, I presume, not less wrong in any *other* class of men to do so; but it seems it is the *quantum* of mischief and misery Country Bankers have inflicted that forms the foundation of this new bill. In *their* failures, the poor have been great sufferers, and Parliament, in compassion to *them*, puts down the one-pound notes.

I cannot imagine I shall have any difficulty in gaining the reader's assent to the following very simple propositions:—That, since it is right to pick out a class of men and tie their hands behind them, on account of the “facilities” which

they possess to contract obligations, afterwards to fail, to involve people in trouble, and strike at the employment and subsistence of the poor, it is equally right that Parliament should manacle *other* classes of the community, provided we can make out a case and show that *they* contract large obligations, afterwards fail, involve people in trouble, and equally, with the Country Bankers, affect the employment and subsistence of the poor. And, that assuming the *quantum of distress to be the same*, it matters not in what *shape* the obligations are contracted, whether in the shape of one-pound notes payable to bearer, or ten-pound notes payable to bearer, or promissory bills of exchange, payable to order, payable to-day, to-morrow, or two months hence.

Now, I shall be quite satisfied to leave it to any man who moves in the world to say, whether, of his own knowledge, he does not know merchants, and particularly manufacturers residing in our principal towns and cities, who contract large obligations, and who, if they were to fail, would produce more poverty and misery, and strike more directly at the employment and subsistence of the poor, than the failure of a Country Banker. To illustrate the case, supposing A, a Country Banker, fails, and B, a manufacturer, fails; both stop *for the same amount*, both produce the *same sum of human*

suffering ; Parliament steps in, and, acting the part of a nurse towards A, ties his hand behind him, and prohibits him from carrying on his business ; it stops *his* “ facilities ;” but B, only because his unpaid obligations were payable to *order*, *him* Parliament leaves untouched. It allows *him* to pursue his paper anticks with impunity. Even if A afterwards paid 15*s.* dividend, and thus greatly alleviated the sum of human suffering, and B only paid 5*s.* still A is the man to put down, and B is the man to support and uphold.

Is this legislation in accordance with the enlightenment of eighteen hundred and twenty-eight ?

The case I have put is a very *temperate* one ; to make a stronger one it is only necessary to leave the country and come to London. We shall then find that the “ facilities” of *coining*, which we have enjoyed in this our great ocean of paper money, make the Country Bankers as mere flies upon the wheel. Yet we never think of legislating *here*, although within these last twenty years millions and millions of unpaid obligations have been thrown upon a suffering public, producing a large sum of human misery, and largely affecting the employment and subsistence of the poor. Owing to *our* “ facilities” of raising money upon paper, all the great trading interests of the country, first one, and

then the other, have alternately been laid prostrate ; have fallen a sacrifice to the paper anticks carried on in London.

It is said, as a reason for putting down these one-pound notes, that the poor who take them in exchange for their labour have no means of judging of the solidity of the parties who issue them ; in fact, that they frequently have no choice of paper.

Not at all insensible to the peculiar claim the poor have upon us for support and protection, I think their sufferings in this " controversy " have been greatly exaggerated. In fact, we appear to have had recourse to a most important measure of legislation, founded chiefly on our compassion for the poor, without first going into an investigation, without first ascertaining the real extent of their sufferings. The Country Bankers failing in 1825-6 does not convey to my mind the slightest imputation against their conduct or against their management. In London we were only saved by a miracle ; although sitting upon the very hearths of the great magazine, the Bank of England, we were literally within twenty-four hours of a state of barter. So little does " my hair stand on end " at the numerous failures which then took place amongst the Country Bankers, that it is a matter of surprise to me that they did not all fail. To continue the sub-

ject, in legislating for the poor it would have been more in accordance with the wisdom of our rulers, if they had first inquired into the amount of injury inflicted on the poor; it would have been better to have looked into Country Bankers' books, to have ascertained what dividends they paid, then one might have approached this part of the question with better means to come to a just decision. I have already said, with regard to their sufferings, I have great doubts that they have been such as are represented, and here I must observe that it is only the *ignorant* poor who deserve our protection. If a poor man takes a note and has the means of converting that note into money; if he has the means of *changing* his security, and, from idleness or other motives, refuses to do so, and afterwards finds himself duped, clearly that man is not an *ignorant* man; clearly his sufferings do not form a case for legislation.

It is a rule running through the whole of our jurisprudence that, while the law acts the part of a kind parent and protector, it does not act the part of a *nurse*, it does not interpose its arm to assist people who have the means of assisting themselves. Such only of the poor, therefore, deserve the protection of Parliament who have no means of knowing what they are doing in regard to these notes; and the sufferings of *such*

have never from the beginning justified our interference. In every town and city, where there is any circulation, there are three or four bankers, and always one or two whose property is undoubted, and who are always glad to give their own paper in exchange for other paper which persons have less knowledge of. Besides the facilities which the poor possess, in their own towns, to exchange notes of which they know nothing, many of the first bankers in the country send their clerks to different towns on market-days, and give their own paper in exchange for the paper of other bankers. This is what is called "carpeting" the country with their "trash," but it is, to my "uncorrupted mind," only an *exchange* of paper, and I see nothing in the transaction to make one's hair "stand on end," or even to "loosen society from its foundations."

Whenever the bankers endeavour to push their local notes into circulation beyond what the business of the community may require, *they are sure to return on their hands*. The public need no *other security* against an excess of currency. They need feel no alarm, they can *never* be hurt without a very criminal negligence on *their* part, and that criminal negligence, as I shall presently show, does not entitle them afterwards, when they find themselves duped, to parliamentary

compassion and protection. There would be *no such thing* as an “ephemeral” country banker, if people would do their duty, and take the paper of such bankers only as are men of property and character. But, if farmers and tradesmen, with their eyes open, and to suit themselves, choose to encourage another description of bankers, and to run into risk and suffering, *let them suffer*. Acts of Parliament are thrown away upon such persons.

If it is said that, in the preceding observations, I have altogether given the go-by to the question of currency, I answer that I do not understand what currency means, unless every bill of exchange that is issued *forms a part of the currency just as much as one-pound notes payable to bearer*. The whole fallacy of the step we have just taken lies in supposing that it is only the one-pound bankers’ notes that compose our circulating medium, and in supposing that *they* only, when unpaid, produce distress, and affect the situation of the poor.* In picking out the Country Bankers

* It is said that the amount of one-pound notes withdrawn has been amply replaced by sovereigns—there is no doubt of the fact; but what consolation is it to those whom this new measure of ours has crippled—the farmers and the tradesmen? None of these sovereigns ever come amongst *them*—they are in bankers’ drawers and rich men’s pockets. *My case is,*

and stripping *them* of the means of doing mischief, and in leaving untouched issuers of bills, &c. it is like punishing boys who have been wetting our clothes with water thrown from *squirts*, and leaving unpunished others who have been sousing us from *buckets*, and giving us the ague.

I confess, while the rest of the world seems up in arms against these one-pound notes, I have never, from the beginning, seen anything to justify all this arming. But, say the advocates for the measure, "Will you suffer men to issue notes, send the gold out of the country; afterwards fail, and produce panics?" To which I answer, Certainly, let them go on issuing their notes. "What! and not pay them afterwards?"

that, by means of our small-note circulation, certain classes, whose prosperity is of great consequence to the nation, received considerable assistance, and prospered, and that *now* they get no assistance, and are *not* prospering. Then it comes again to the old point. Is it right that these men should issue notes, fail, &c.? I answer, *quite* as right as men *elsewhere* (surely THIS is not a question of geography) should issue bills of exchange to ten times the amount, fail, &c. If it be right to legislate, *that* man who fails and produces the greatest sum of misery is the man for Parliament to lay its hands on. I see nothing in the obligations of a Country Banker to mark him out, while others are left untouched. Is it that the species of currency he issues causes gold to leave the country? We shall presently see the value of this argument, in a recent case, involving gold to the amount of hundreds of thousands.

Certainly; if people are so silly as to trust them, it is right that they should suffer.

Now, let us see what value is due to the argument of "panics," and "sending gold out of the country," and what value is due also to the other argument of persons being ignorant of the securities they take, and *therefore* worthy of legislative compassion.

I allude to the South American Securities, and I introduce the case with singular pleasure, because the obligations *here* were "payable to bearer." Now here was a spectacle of states contracting obligations upon the people of this country to the amount of twenty or thirty millions;—states without any political or legal being; amenable to no laws; but *real* usurpers; in open rebellion against their parent country; for almost all the loans were contracted for before Mr. Canning, stamping his foot on the floor of the House of Commons, called them "into existence."*

* It is but justice to the *Morning Herald* to state the part it played on this occasion. Whilst this poor country was acting the part of a milch cow to South America; whilst the accredited agents of these states were plunging their hands into our pockets, chanting all the while loud hymns to civil and religious liberty, the editor of this paper, first and last, middle and without end, kept on warning people of their danger,—*but in vain.*

Need I say that our gold was here in *very great danger*?—Need I say that all these “obligations” were the forerunner of the dreadful panic in 1825–6. What did Government do in this case to keep the gold in the country; to prevent panic; to prevent people from suffering from securities, *of the value of which they were quite ignorant*? Did they tie the hands of these “contracting parties” behind them? Did they put a stop to the “facilities” which they appeared to enjoy of issuing “obligations payable to bearer;” of afterwards failing, and producing great poverty and misery? Not they:—but while this extraordinary scene was going on, and while Government *foresaw* and warned us all of the mischief which was impending, the accredited organ of each House of Parliament stood up in his place, and told the public that, while Parliament lamented the general delusion, and *foresaw* the desolation that would follow, yet it would not act the part of a nurse, and protect people from the consequences of their own indiscretion.

I beg the reader to remember that this case involved the loss of millions of money, and hundreds of thousands of gold: it was one of unmixed evil—of unmixed suffering:—I beg the reader to remember that the rage for these securities was the cause of the dreadful panic which

shook society to its centre with a vengeance ; and which in “ pulling down the mighty from their seats ” largely affected the subsistence of the “ humble and poor.” Yet we shut our eyes against all this, and legislate only for panics, produced by Country Bankers’ one-pound notes, spread all over the country, and confessedly conducive (along with some alloy of evil) to the prosperity of the landed and commercial interests of the country. With this example of yesterday before our eyes, we are now desired to believe that, for the safety of our gold, and to preserve us against panics, it is right to throw picquets across the Tweed to prevent the invasion of a Scotch one-pound note.

All ages are distinguished :—The Augustan age ; the age of poetry ; the age of chivalry ! but *this* is the age of “ straining at gnats and swallowing camels ! ”

Hitherto, I have confined my defence of the one-pound-note circulation as forming only a small part of our currency ; and which we have no pretence to put down upon the plea of its producing panics, &c. while, at the same time, we suffer a currency of another sort, bills of exchange, &c. to move about unmolested, and which, differing only in name, produces, in an infinitely greater degree, (since it forms a greater part of the circulation,) the evils which we attribute, exclusively, to country-bank paper.

And here I should be quite disposed to rest my case, but so many considerations arise out of the important measure we have just had recourse to, that I must trespass a little longer upon the patience of the reader.

1st.—I complain that in putting down a paper-currency, convertible into money, we have made a fresh start in the science of political economy. From whose book have we now taken a leaf?—from Adam Smith's? *He* saw nothing to shake society to its centre in a convertible paper-currency. Did we learn it from the Bullion Report? Did we learn it from Sir Francis Baring, Mr. Horner, and a number of others whose names I could mention, and to whose opinions, as com-

bining profound learning with practice, we have hitherto looked up with esteem and veneration? These eminent men, while they were sensibly alive to their country's prosperity, and spoke in indignant terms of the currency we *then* had, saw nothing in a convertible paper-currency to alarm them; they saw no evil in it but what would *speedily cure itself*. All their labours were directed to bring about *such* a currency. *They* were not men whose hair "stood on end" at the spectacle of ten unpaid one-pound notes payable to bearer, and remained unmoved at the spectacle of an unpaid twenty-pound bill of exchange, payable to order. *They* were not men who strained at gnats and swallowed camels.

2d.—It is only yesterday that Parliament has pitted itself against Country Bankers, and against their one-pound notes. The *time was* we treated them very differently. Every Minister, from Mr. Pitt downwards, has acknowledged, in his turn, the large assistance they have given to the great interest of the country. It is of that assistance, now suddenly withdrawn, that I mean to speak, and it forms by far the most important part of the question.

It is not, I hope, asking too much of the reader again to entrap him into a proposition: viz. that to enable us to pay the interest of our large national debt, it is essential that the

landed, manufacturing, and trading interests should enjoy a temperate, if not a large share of prosperity.

Now, however we may differ as to the *means*, is there any doubt of the *fact* that the small circulation of the Country Bankers gave great life and activity to these interests; that it enabled them to pay their share, (and it was a lion's share,) to the exigencies of the State, and thus largely assisted Government to carry on the war?

Is there any doubt also of the fact that these great interests are not prospering *now*?

And what have we done? at a time of general distress, when the *house is on fire*, we say to the persons who have the means to assist the poor sufferers—we say to the solvent, rich Country Bankers, “ You shall not be allowed to assist these people in small sums, except in the coin of the realm; *because* we have, in the eleventh hour, found out that one-pound notes produce panics, convulsions in trade, and so forth, and that it is better, upon the true principles of political economy, that people should be burned to death rather than owe their salvation to the eleemosynary aid of a one-pound note, payable to bearer.”

Few, I fear, will escape from the fire, unless the Bankers act from humanity, and not from interest. To suppose that they will send to Lon-

don for sovereigns, paying 3 or 4 per cent. interest to lend it to the sufferers, at 5 per cent. is to suppose them mad. There was a considerable profit attached to the circulation of the one-pound notes, and in putting *them* down we have destroyed the link which bound the banker and all these great interests together in one common tie of reciprocity.*

* Since we *will* legislate, of the two evils it would be better to let the Country Bankers go on issuing, and make them give security. But now comes a difficulty which gentlemen dispose of with most astonishing *sang-froid*. Now let us survey the sea of legislation we here get into;—looking over the sides of my little bark, I see it *surrounded* by lawyers, asking to come on board and teach us our duties. It is in vain I say to my ship's crew *this is a trading vessel, and, while I am master, here lawyers' dominion shall not come*. My sailors, instead of attending to their duties, have now got their necks stretched over the side *listening*. Amongst the number floating on the ocean, I perceive two men very distinguished, to whom the rest appear to look up. One is a fine, portly, handsome man, with a countenance full of fire and intelligence; he seems to take up a large share of the attention of my ship's crew. The other is not so handsome, but out of his mouth proceed at times the most astonishing bursts of eloquence; upon his sweet and honeyed sentences, my men seem to fasten with rapturous delight; even the very wind, which until now blew loud, and shook my little boat to its centre, seems on a sudden to have become hushed, to listen for awhile to an inspired voice. But to proceed, (for I know very well that if these men come on board, they will make my

Little are the public aware what injury has been done to these great interests in thus taking

sailors believe that the wind blows from the east when it blows from the west, that the needle points to the south and not to the north—in short, that the mast is made of a Broom, and that Scarlet is the colour of the sea). *Such* a bill can only mean “a Bill to secure the Public against Country Bankers’ unpaid obligations.” All the *rest* is leather and prunella. Then upon what principle can we manacle a banker at Newcastle and leave alone a banker in London, or even a merchant in London? Suppose a London Banker to fail in debt in the the shape of balances, and acceptances outstanding to the amount of half a million—or, suppose a London merchant to fail to the amount of £100,000—half of which was in acceptances, *mere accommodation bills*. Do not such failures as these create distress? What difference can it make to a creditor in what *shape* his debt is in; whether in the shape of fifty one-pound notes, a balance of £50, or an unpaid acceptance of £50? Is it that the *poor* suffer so directly from the failure of a Country Banker? 1st. From personal observation, I doubt the *fact*. 2dly. Unpaid one-pound notes, *scattered over a large district*, are not so likely to produce such severe and lasting distress, as large bills of exchange unpaid and falling wholly upon an individual. To put a strong case, suppose a London Banker to fail to the amount of half a million, and to pay 10s. in the pound, and a Country Banker to fail to the amount of £50,000, and pay 15s. which is the case for legislation? *Neither*; but for *choice*, the London Banker. I know very well I shall be told that London is not Newcastle, and Newcastle is not London, to which I will add that one is distant from the other 275 miles; that the Express coach performs the journey in twenty-eight hours and fifteen minutes;

away from the Country Bankers the *inducement* to assist them. Having been *behind the scenes*, I can speak of the benefit which well-conducted banking-houses scatter around the community. They grant small loans to the tradesman, the farmer, and the manufacturer. They prevent them in a moment of distress, for want, perhaps, of a few pounds, from throwing their commodities on the market, at a ruinous price, and thus producing “vicissitude of prices.” Besides conducting so directly to the benefit of agriculture and trade, these banks form in themselves a market for capital, and render the general capital of the country more productive than it otherwise would be. They act as agents between the borrower and lender, supplying the wants of the former, and employing the surplus of the latter. Not to fatigue the reader with details, and even at the risk of being thought a parvenu, I do not know any man so useful in his sphere as a Country Banker, with means in his hand, and judgement properly to apply those means. I know no man whom it is less the interest of a

and that the guard's name is Smith—at least, if it is not Smith *it ought to be*. I forget what French minister it was, who, asking what he could best do to give life and activity to trade, was told “*Laissons faire.*”—*Fas est*^{et}_λ*ab hoste discere.* *Lucii.*

wise Government to quarrel with and to put down.*

But as an anodyne to the withdrawing of the one-pound notes ; as oil to the wounds of those who have suffered in the conflagration, we have sent down by the mail-coach to most of the principal towns, a scion of the great house in Threadneedle-street, carrying in his train "entering clerks, sovereigns, money-shovels, impressions, and waste-books."

Not at all insensible to the comfort which these Branch Banks will be to all men of property, to all old maids, to all annuitants, to all nervous

* It has been asked how is it that Lancashire gets on so well without these notes? Lancashire is certainly a very large and important county, but it is only *one* county out of a great number, and it is bounded on three sides by counties who do issue notes, and which notes do circulate in Lancashire. Besides, she has a circulation of small bills without number, which is so *much* currency in another shape. Whether a better or a worse currency, must depend, I apprehend, upon nothing but the solidity of the parties who issue it, and *not* upon the circumstance of its being payable to "order," instead of "bearer." May I be permitted for a minute to tear myself away from this very dry subject, and relate a story which is attributed to a Banker in London. Being in Paris, and observing that almost every Frenchman had an "order" of some kind dangling from his bosom, he asked, with great simplicity, whether these "orders" were not payable to "bearer."

and dyspeptical persons, I have great doubts whether they will do any good to trade ; I have great doubts whether they will act the part of a Samaritan to those whose wounds are yet *open* from the effects of 1825 and 1826. Indeed, the Bank have already told us it was Government who booked their places, and lifted them into the mail ; therefore, it is not reasonable to expect they will put themselves out of the way.

If a tradesman should want a little money to help him through a rainy day, or if a farmer wants a few pounds to enable him to pay his rent, this mighty corporation, looking at the applications as a mere matter of business, and possessing none of those feelings which govern Country Bankers, whose prosperity is so intimately blended with the prosperity of these classes, the Bank would, of course, refuse to advance the money. It would be nothing to *them* if the tradesman failed, or if the farmer, for want of a little temporary aid, sold his corn to some rich man at a ruinous price ; or supposing, to put a stronger case, that A, by turning a stream of water, could greatly improve his property, and also irrigate and improve that of B, C, and D, his neighbours, and that all these four persons were *jointly* to ask the Bank for a loan of five hundred pounds, (and nothing is more common under the old system of banking,) what possible interest could it be to

the Bank which way the stream flowed? The agent would write to London for instructions. The Directors here, looking at the application as a mere question of business, would write to Newcastle, “*Lend no money on the stream.*” The natural politeness of the clerk would prevent him from returning so laconic an answer; and the following is a copy of the letter which would, probably, be written, first premising that there would be a tremendous margin, a very fine envelope, and plenty of red sealing-wax, for such things form the symbols and luxuries of all public functionaries, just as toys form the symbols and luxuries of children:—

(Copy).

Sir,

Newcastle, June 1, 1828.

I have communicated to the Court of Directors your proposition to borrow the sum of five hundred pounds, conjointly with various parties mentioned in your favour of the 26th ultimo, now before me, to enable you, by turning a stream of water, to irrigate and greatly improve your own property as well as that of other persons; and having nothing in return to communicate,

I have the honour to be, Sir,

Your most obedient

and very humble servant,

Agent to the Branch Bank of England Bank.

To Mr. A.

I will now allude to a circumstance as showing what machines great corporate bodies make of us poor public :—It is well known that there are cases (if not *one case*, for there's nothing like temperance) of parties whose stock had been abstracted by means of forged powers of attorney by a banker, who lately forfeited his life to the offended laws of his country, and who, applying afterwards for their dividends, were sent back unsatisfied. I shall mention no names; neither do I ask for any *reasons* why they were sent back unsatisfied; the case requires none. Neither have I a doubt that, throughout the whole affair, the Bank were influenced by a desire conscientiously to discharge, according to *their* sense of justice and propriety, the high trust reposed in them by the proprietary; and it is only necessary to look at the distinguished names which compose the direction to absolve them from any imputation of *intentional* wrong. But I have only to deal with *two facts*, viz. that the stock was abstracted by means of a forged power; and that the party whose stock was thus abstracted was not privy to, or even criminally negligent of, the fraud; and I put it to any sensible man to say whether all the legal advice in the world should ever have prevented the Bank, the *moment they were satisfied that the party was not privy to the fraud*, from replacing the stock and paying him his dividends. In acting otherwise, I submit they committed a

pecuniary wrong, to say nothing of the mental suffering they inflicted ! Out of this case I might collect abundant materials for a *long speech* ; but I leave the *audacia verba* to others whom it may suit better. I have not lived to so little purpose as not to have noticed in this great city *inter nos sanctissima divitiarum majestas* ; and I sincerely believe that if the Bank had the power, and, with it, the inclination, to confine me in irons for what I have now so temperately alluded to, hardly an arm would be raised to protect me : but *pity* and *compassion*, virtues which are highly ornamental and nothing costly, I should have a very pretty *con-siderable* share of.

Unless I have been guilty of misrepresentation, this case proves two things :—First, how unfit the Bank are to teach the Country Bankers the true principles of banking ; and, secondly, how the very simple science of banking may be embarrassed by the presence of a lawyer.

It is refreshing to turn from this and see how private establishments act under similar circumstances. A banking-house in London (it is not necessary to mention names) was forged upon for £1200. The merchant, whose name had been forged, immediately waited upon the partners, and, satisfying them of the fact, in *ten minutes* the money was replaced to his credit. With a fine spirit of generosity the merchant offered to

divide the loss; the bankers, not at all insensible to his liberality, instantly refused it, alleging that they could not suffer him to bear a loss which was altogether the consequence of their own negligence.

But, lastly, in connexion with the step we have taken, have we nothing to fear from again surrendering the whole circulation to the management of the Bank? Into what Lethean stream have we plunged so suddenly to have forgotten what the wisest and best of our public men have been so long ringing in our ears; *line upon line, and precept upon precept*; that the power of the Bank had already become too great for any minister to grapple with? Where are all those whose swords, *in other times than these*, would have leaped from their scabbards at a proposition again to place into the hands of the Bank the power to alter, daily and hourly, the property of every man in the country? And what, particularly, has become of that pen which instructed the public creditors that, owing to a depreciated currency, *brought on by the bad mismanagement of the Bank, he only received seventeen shillings in the pound*?

All is now hushed.—The *audacia verba* are now flung at the Country Bankers, *who are as mere flies upon the wheel*. We tie *their* hands behind them, we fasten heavy loggers to their

feet, while we leave the great monarch of paper-money, the parent of all depreciation, the mother of all panics and all vicissitude of prices, to walk about the forest without a keeper; again to run wild, and again to plunge us into all the miseries of a distempered paper-currency.

It is not danger present and visible that I am alluding to. But, supposing a war were to arise out of the present distracted state of the east of Europe, not a collision, but *such* a war as would please the gentlemen of the Stock Exchange, does any one believe it could be carried on for six months without Parliament again having recourse to the Bank-Restriction-Bill? Parliament stands partly pledged not to give us a second edition of that bill: it was equally pledged never to touch the sinking fund, *our sheet anchor in the day of trouble* (and a pretty sheet anchor it has been): but Government, partaking of the common lot of humanity, bended to circumstances, and broke in upon that thing of phantasy. So, in my opinion, it will again bend to circumstances, and, in case of war, again enact the Bank-Restriction-Bill. That bill, whenever this country may think it necessary to arm, is as much a "part and parcel" of our system (I hope it may be otherwise) as horses are a "part and parcel" of a mail-coach. Our large debt and it are brother and sister, *littered in one day*; or, per-

haps more properly speaking, man and wife; and although of late there has been a separation *a mensa et thoro*, we shall find, the moment the blast of war blows in our ears, that it will be our interest to prevail upon them to kiss each other and make it up, if not for their sakes, at least for the sake of their *interest-ing* children, the Three per Cent. Consols and Reduced, who would *down* and implore us not to bereave them, in their old age, of any share of parental protection. To resume the subject. What will be the situation of this country with the Bank-Restriction-Bill renewed. Here will be in full sway and practice amongst us a mighty corporation, having the whole circulation in its hands, and possessing more real power than any king ever possessed from Nebuchadnezzar downwards,—with whom we shall necessarily be so *mixed up*, that, in resenting an insult from abroad, it will be necessary for the constituted authorities of the land first to go and tap at the Bank parlour, to know whether it will suit their high mightinesses to expand their circulation, and furnish us with the means of resistance. Is this a mere rhapsody? Is it not a matter of history, that, in the time of Mr. Pitt, we were so entangled with the Bank, that the whole course of our foreign policy was at the mercy of their deliberations? Yet Mr. Pitt was the boldest minister this country ever saw; he bowed his

proud neck to *no one* but to the Bank of England. We have now got at the head of affairs (and long may he remain there) boldness personified; one on whose brow "*Fear is ashamed to sit.*" His grateful country feels persuaded he is equal to every *collision*, excepting a *collision* with the Bank; only let him read *them* a "moral lesson,"—let him take the field against *them*,—his military science will fall lifeless from his hands; he will find that the Old Lady "wears a charmed life," which laughs to scorn all human thunder, even although wielded by such a man as the Duke of Wellington.

Let us now see what we *have already done* to propitiate the "Old Lady," and to coax *her* one-pound-notes *payable* to bearer. Let us see how we have been "led astray."

At a time when the guinea was notoriously worth 26*s.* in reference to the Bank of England note of 20*s.*, a certain assembly, containing within its walls a large share of the talent and education of the country, and reflecting, as I believe it does, at least for all practical purposes, the image of the people, notwithstanding all the orations fulminated from the Crown and Anchor, and from the Cat and Mutton Fields, near Hackney,—what did this assembly do? it voted (the fact being such as I have stated) that a one-pound Bank of England note and a shilling were

equal in value to a guinea.* Now, if it were not foreign to my disposition to joke, I would, out of respect to the quarter from whence this celebrated resolution emanated, keep my pen in subjection. Treading close on Sir Benjamin Backbite's heels, *I say nothing*, but *this I will say*, that it was the greatest insult ever attempted to be put upon the guinea. So sensibly did the guinea feel it, that, stung with rage, and regard-

* This celebrated resolution was for many years a bone of contention between me and a gentleman, for whom I have a great respect, although our opinions are as wide as the "poles asunder." I used to put this question, after first agreeing that there was no intrinsic value in the *paper* of the one-pound-note, and that the Bank could issue just as much of it as they pleased,—I asked, supposing that there grew in the garden of the Bank a number of chesnut trees, bearing a boundless quantity of fruit of a peculiar kind, not to be found in any other part of our dominions, and therefore not easily forged, and that the Bank were to make *them* the measure of value, instead of the paper; and that Parliament, to save us from panics, &c. &c. were to throw around the chestnut the same protection that it had given to the paper; I asked him whether he would be disposed to say, in reference to a question of depreciation, that a horse chestnut and a shilling were equal in value to a guinea. The "controversy" always ended in his insisting that a horse chestnut was not a Bank-note, and a Bank-note was not a horse chestnut. I do not understand much of the dark science of political economy, but I am persuaded that in the question of the currency, we are most of us "led astray" by *names*,—by mere *sound*.

less of its baptismal vow, it immediately left the country to adorn; to *irrigate*, to strengthen the land of our enemy.

To persons, therefore, who say that there is no danger of too close an alliance between Government and the Bank, I put this simple question. Whom was this celebrated resolution meant to humour? was it to humour the guinea? was it to humour an ignorant public, who thought 26s. and 20s. were not one and the same thing? was it not, in fact, to humour a paper-currency which, under the peculiar care and guardianship of the Bank Directors, had become distempered?

Turn we now from the “Old Lady,” in whose fascinating society oceans, streams, monarchs, dolphins, forests, have been dancing about in one maze of metaphorical confusion;—let us tear ourselves away from her, and talk of Scotland, whose very name fills the mind with a variety of pleasing images.

Why is Scotland permitted to issue one-pound notes? Parliament clearly has not treated the question as one of *use* and *abuse*; otherwise Nottingham, Hull, Lincoln, Norwich, and a variety of other places are unfairly dealt with, since the bankers *there* have never failed. Government, from the beginning, disdaining to treat it as a question of *geography*, voted the

one-pound note to be *malum in se*, without any reference to *place*. Then I ask, upon what principle is Scotland to enjoy a right which we deny to persons at Newcastle? In passing a law to punish all persons carrying loaded guns in the streets, we do not select for punishment persons carrying loaded guns in Cheapside, and leave unpunished gentlemen carrying them at the west end of the town, in whose hands, perhaps, (if gentlemen in the city will permit me to say so,) there is less danger of explosion; but having voted a loaded gun to be *malum in se*, as we have now voted the one-pound note, we suffer no one, even if he should write us threatening letters, to say "let me have my gun, it has never exploded." It is quite clear, however, that in this question Scotland has got to windward of us, and has, in the preference shewn to her in this Bill, *for ever blotted out* from our language that excellent household proverb, "what's sauce for the goose is sauce for the gander."

Is it that Scotland issued notes previously to 1797? If that be the fact, and the thing in itself be really *bad*; if it be true that to issue a one-pound note is to *usurp*,—to strike at the prerogative of the king,—then Scotland is by far the greater criminal, inasmuch as she appears to have taught us the business of usurpation. The sooner, therefore, she hastens to the south, (*she*

knows the road very well,) and begs forgiveness of her offended king, the better opinion I shall have of *her* loyalty.

But, it seems, these Scotch notes are not to be allowed to circulate south of the Tweed ; why not ? Is it that they may not be paid, and thus produce panics ?—hardly. Because the very principle (if principle it can be called) upon which we except Scotch notes from the operation of this bill is, that we believe them to be, and not without reason, almost out of the reach of insolvency. Why then not let a poor tradesman take one of these notes if he can turn an honest penny ? The more I look into this “ Controversy,” the more I become embarrassed. Now comes another difficulty.—How are we to prevent the irruption of these notes ? By acts of Parliament ? *We might as well attempt to stop the tide at Gravesend with our thumbs.*

Scotland will forgive me in alluding to a strong, pungent, magnetical attraction existing in this country, which daily and hourly causes her sons to move southward. Her notes will, I am persuaded, partake of this attraction. How then can we repel them ? Shall we suspend the Habeas Corpus Act ?—hardly. What if we catch a Scot in the very act of issuing a note, what the lawyers call *flagrante delicto*, shall we put him to death and send his body to London

for the benefit of *anatomical science*? Against that proposition, short as we are of *subjects*, and excellent subjects as the Scotch are, I will hold up my hand. The most advisable plan (I say it with submission) would be to raise a new regiment, to be called the "One-pound Note Regiment," to bivouac on the Tweed, and to be employed, exclusively, in watching the irruption of these notes. I would recommend that picquets should be thrown forward, whose duty it would be to give notice, by firing, of the invasion of a one-pound note. Should they come in droves, or in sums altogether exceeding twenty pounds, it might be right, upon the true principles of political economy, that a large bonfire should be lighted to warn the surrounding country of its danger, as was the case in the threatened invasion by Bonaparte. Without this precaution, our brave defenders might be thrown into a *panic*. It would be, also, right to explain, in the shape of a regimental G. O. that it was only Scotch one-pound notes, payable to bearer, that the regiment had to deal with; that all obligations above that sum, as well as all obligations payable to *order*, would be suffered, as usual, to circulate, BECAUSE they *never*, when paid or unpaid, produce panics and vicissitude of prices; they *never*, paid or unpaid, affect the employment and subsistence of the poor; and ALSO BECAUSE people who take such obligations have

their eyes open. *Not* so with those who took the one-pound notes ; *their eyes were shut*, and, *therefore*, they are (pretty innocents!) proper objects of regimental compassion and protection.

I forget what man it is in the play of "The Critic" who, after making a very long speech, asks Puff,—“Pray, sir, how am I to get off the stage?” “Any how,” replies Puff; “so as you do go, the audience care nothing about the means.” This is precisely my situation; my speech having now come to a termination, I am puzzled how to get out of this “Controversy” with grace and effect: my readers being by this time nearly asleep, and caring little about the *grace*, so as I *do* go.* Taking up The Morning Herald, my eye rested upon a passage complaining that the farmers are not such, in regard to their habits and education, as they were in olden times; and this very paragraph will enable me comfortably to take leave of my readers, and to close this my first and *last* performance before the public.

It is, also, one of the charges against the

* As a warning to all who use methaphors, and as showing, also, how fleeting is all human prosperity, I began life as a *free mariner* on board a little bark of my own. I am *now* become a strolling player. “*To what base uses may we return, Horatio.*”

Country Bankers, that they have *produced* this change in the face of society. It is complained that from the “facilities” of paper, many farmers have become a new race of men; that they have become haughty and expensive, and that instead of attending to their crops, they are now to be seen following the hounds; that their daughters, instead of making dumplings* and working Solomon and Sheba in worsted, are cutting out satin slips to decorate their persons at the approaching county-ball. The charge is too frivolous to be treated gravely; we shall presently see that farmers, their wives, and daughters, are not the only persons whom the “facilities” of paper-money have jostled from their spheres.

It is very true, a great alteration has lately taken place in their education and habits: formerly, about twenty years ago, if a man went into a farm-house there was no Turkey carpet

* As for the dumpling part of the story, if the public would only read an excellent Treatise on Diet, by Dr. Paris, they would never eat another dumpling as long as they live. I consider digestion to be of so much importance that I trust our lawgivers will soon give their attention to it. Since dumplings are highly indigestible, and produce serious abdominal disturbances, I think it might be right, upon the best principles of political economy, to prohibit Country Bankers from eating them. The law would *operate* two ways, to keep them in health and to make their paper safer.

whereon to rest his feet ; there was no pier glass to reflect his image ; hospitality and kindness there was plenty of, but all was plain as at a Quaker's dinner. Education was not then as it is now ; poetry, at least in its higher flights, was quite unknown to them, the prevailing and almost the only poetry being—

“ How doth the little busy bee
 Improve each shining hour,
 And gather honey all the day
 From every opening flower.”

Very good in its way, but in this there is nothing of the madness and inspiration of poetry of the present day. Their prose was of a piece with their poetry ; the most prevalent books being the Seven Champions of Christendom, Philip Quarle, Sorrows of Werter, Pilgrim's Progress, The Haunted Tower, and Prince Le Boo, all excellent books in their *way*, but having nothing of the inspiration of books of the present age. Then, as to their musical attainments, I cannot speak in terms of commendation. The piano, which was generally of a green old age and probably picked up at a sale, was *never* in tune. If a neighbour came in to drink tea and was fond of music, one of the *wenches*, as they were *then* called, rose at a conventional wink from mamma, and throwing her rosy fingers on the

chords, which she thumped with prodigious violence, she played either "Yes, Beda; thus, Beda;" or the Multiplication Table, set to music to the tune of Yankee Doodle. As a *great treat*, she would play and sing "The Romans in England they once did sway," it was what their fond parents most *truly* called killing chronology and music with one stone. Then, to conclude the evening's amusements, came, in grand diapason, that very excellent and inspiring, but not altogether very new, song, GOD SAVE GREAT GEORGE OUR KING.

Now *all is changed*. The "facilities" which the "rascally" Country Bankers have given the farmers have enabled them to make their houses more comfortable, and to give their children a better education. I see nothing in this to "shake society to its centre," but, on the contrary, much to be grateful for. To continue; their education having undergone a change, every book just mentioned has been swept from the shelf, and in their places are to be seen Lord Byron, Mechanics Institutes' Tracts, Shakspeare, Philosophy in sport made Science in earnest, Cobbett's English Grammar (the most useful of all useful books), Tracts of the Useful Knowledge Society, and the Art of Tying the Cravat, by H. Le Blanc, Esq. *with a picture of the ingenious*

*author.** Not only has their reading undergone a change, but Apollo has been "*abroad*," the piano has been tuned, and instead of such household stuff, as the "*Romans in England*," our ears are now ravished with "*Di tanti palpiti*;" instead of the Multiplication Table set to the tune of Yankee Doodle, the girls treat us with "*Tu che accendi*."† Neither have they been left behind in the general acquirement of science. The Useful Knowledge Society, in this respect, has spread a feast before the eyes, of the delight of which they had previously no conception. Formerly, when boys and girls walking in the

* I lately saw at a farm-house, amongst other books, "*A Plan for Establishing a Clearing-House at the Stock-Exchange*." All the family had read it. None of them could understand it. Neither could I, but I learned from one of the farming-men that it had been for a long time a favourite plan with the projector, but that not succeeding, he afterwards died of a broken heart.

† It is not necessary, that because I rejoice at the downfall of the "*Romans*," and prefer Italian music, that the reader should rejoice also. Every man has a right to his opinions. Lord Byron tells a story of a lady who had such a horror of foreign music, that in the midst of a large party, she exclaimed, unable any longer to bear it, "*Rot your Italianos! I loves a simple English ballad*." To her uncorrupted ear, the Multiplication Table set to music to the tune of Yankee Doodle would have been the highest possible treat. *Chacun a son gout*.

orchard and seeing an apple fall, they picked it up and either eat it, or put it into a dumpling; now they sit down upon the grass, and, forming themselves into a "committee of science," they examine into the fall of the apple; they discuss the laws of gravitation; and, by the assistance of a little tract, they communicate to each other, with rapturous delight, the important and very *useful* fact that the apple fell to the ground with a rapidity proportioned to the square of its distance.

Not to tire the reader with details, the education and address of farmers' daughters now-a-days is nearly equal to that of our metropolitan belles. To sum up all in one word, *they turn their stays inside out, and wear bustles.**

But, in the mean time, what have *we* been doing, in London, of late years, with the "facilities" we have enjoyed from the great ocean of paper money? Have *we* not (at least a good

* A friend of mine, who is behind no one in his thirst after useful knowledge, and who, like Paul Pry, sifts every thing to the bottom, has long asked his female friends, but *in vain*, to explain and justify this fashion. I have never had any doubt myself that it is in compliment to Sir Robert Seppings's new principles of naval architecture. Be it, however, as it may, it is by far the most becoming fashion we have seen for many years; it sits particularly well on such who possess the *otium cum dignitate*.

many of us) been jolted out of our spheres? Have *we* stopped behind in the general chase after knowledge—in the great march of intellect? Not we indeed : on the contrary, we have made most prodigious strides in general education and science. Formerly, as a boy at school, one of the first things one learned (and it was a sort of trap to know what a boy's mind was made of) was, that a pound of lead was a pound of lead, in all times, in all places, under all circumstances; and that a pound of feathers was a pound of feathers; the one being always equal to the other; but now, from a society lately sprung up amongst us, professedly to scatter useful knowledge amongst the people, we have been given to understand that, if it were possible to put a pound of lead close to the sun, it would weigh 22lbs. 15oz. 16dwts. $8\frac{3}{4}$ gr.; that, if it were carried up to Jupiter, 2lbs. 1oz. 19dwts. $1\frac{2}{3}$ gr.; and, carried up to Saturn, 1lb. 1oz. 19dwts. $1\frac{1}{11}$ gr. Again: so changed are we, that, formerly, meeting one's friends in the street, remarking upon the weather and asking after absent acquaintances, was *all* that was ever thought of. But *now*, people walking from church form themselves into "committees of science," and out of their mouths fly words of wisdom that would quite astonish our ancestors. "Very fine day this, Mrs. Byles: how is Mr.

“ Byles?” “ Quite well, I thank you, sir: are
 “ *you* pretty well?” “ Thank you, ma'am, quite
 “ charming. Pray, Mrs. Byles, have you any
 “ idea at what rate the wind is now travelling?”
 [Mrs. Byles here hesitates, not precisely comprehending the question.] “ Not at all, sir, I only
 “ know it is exceeding pleasant.” “ Then, my
 “ dear ma'am, I have the pleasure to inform you
 “ that it is travelling (the day being such as
 “ described) at the rate of one mile an hour,
 “ and that its perpendicular force on one
 “ square, in avoirdupois pounds, is .005 decimal
 “ parts.”*

* It is pleasing to the mind to turn from this, which can only be intelligible to men of science, and fasten upon something which is really useful as well as intelligible; it is a formula to pass from dates expressed in Olympiads to the vulgar era, and *vice versâ*. (See *Useful Knowledge Tract. General History*, p. 15.) Its simplicity is beyond any praise of mine:—

The n^{th} year of the p^{th} Olympiad is that which begins in the summer of the year B. C. $(781 - 4p - n)$; but, if this formula become Zero, or negative, it expresses, when increased by 1, the year A. D. The unit is added because the year 1 B. C. is succeeded by the year 1 A. D. without any intervening year to answer to the case when the formula becomes Zero. For the m^{th} year B. C. divide $(776m)$ by 4; if this give a quotient q and remainder r , the year is that in the summer of which begins the $(r \times 1)^{\text{th}}$ year of the $(q \times 1)^{\text{th}}$ Olympiad. For the m^{th} year A. D. the dividend is $(775 \times m)$.

But, to bring this work to a close, what right have we, while we are revelling in intellectual delights, and subscribing to and patronising every institution having for its object the improvement of the mind,—what right have we to turn round and abuse the Country Bankers, because they have improved the education and altered the habits of the farmers; because, in short, by bettering their lot, they have given them a taste for the “advantages and pleasures of science?”

*Plan for the Prevention of the Forgery of Bank
of England Notes.*

To men who have a *hydrophobia* of all change, whose minds are invincibly steeled against every alteration, be it what it may; who think that there should be only twelve judges because there were twelve apostles, and whose very flesh creeps at a proposition to convey, by Macadamized roads, a double letter from Northampton in eleven hours instead of eighteen; to *such* men, the *real innovators*, as Mr. Brougham justly called them, in vain do I address myself; but to those who at least *listen* to every plan having for its object the public good, and to such particularly to whom *nulla unquam de morte hominis cunctatio longa est* is a maxim dear to their hearts, I need make no apology in submitting the following plan to prevent the forgery of the Bank of England notes.

The Bank have spared no expense in endeavouring to accomplish so desirable an object, but it has always appeared to me that they have gone upon a wrong *scent*. They have relied chiefly, if not altogether, upon *engraving*. The objection to this is that the public are not judges of

engraving. Between a good engraving and a bad one, every *rusticus* can judge ; but between engravings which are all good, although each differing from the other, no one but a professional man can see their various beauties and distinctions. So satisfied are the Bank of this that, after considerable expense, they have at last abandoned the idea.

My plan is independent of engraving, and dependent altogether upon hand-writing, of which every man, woman, and boy is a judge. I propose that the Bank shall select from their body of clerks twenty-five young men who write what are called beautiful “running hands,”—to advertize their names as usual, and that every note issued shall be signed by *three* of this number. Need I say that there is not one man out of five thousand who writes what is called a beautiful hand,—that there is not one man out of twenty thousand who, writing well himself, possesses also the difficult *knack* of imitating other hand-writings, beautiful in themselves, all differing from his own, and each differing from the other. Look at the difficulty here interposed against forgery. No man can ever set about the business without being a very fine writer himself, and without possessing also what I have alluded to, viz. the *knack* of imitating other hand-writings. The forger would thus be obliged to

seek out companions in his villany,—let the Bank only select good writers, he might be months, and even years before he could light upon rogues able to assist him in his crime.

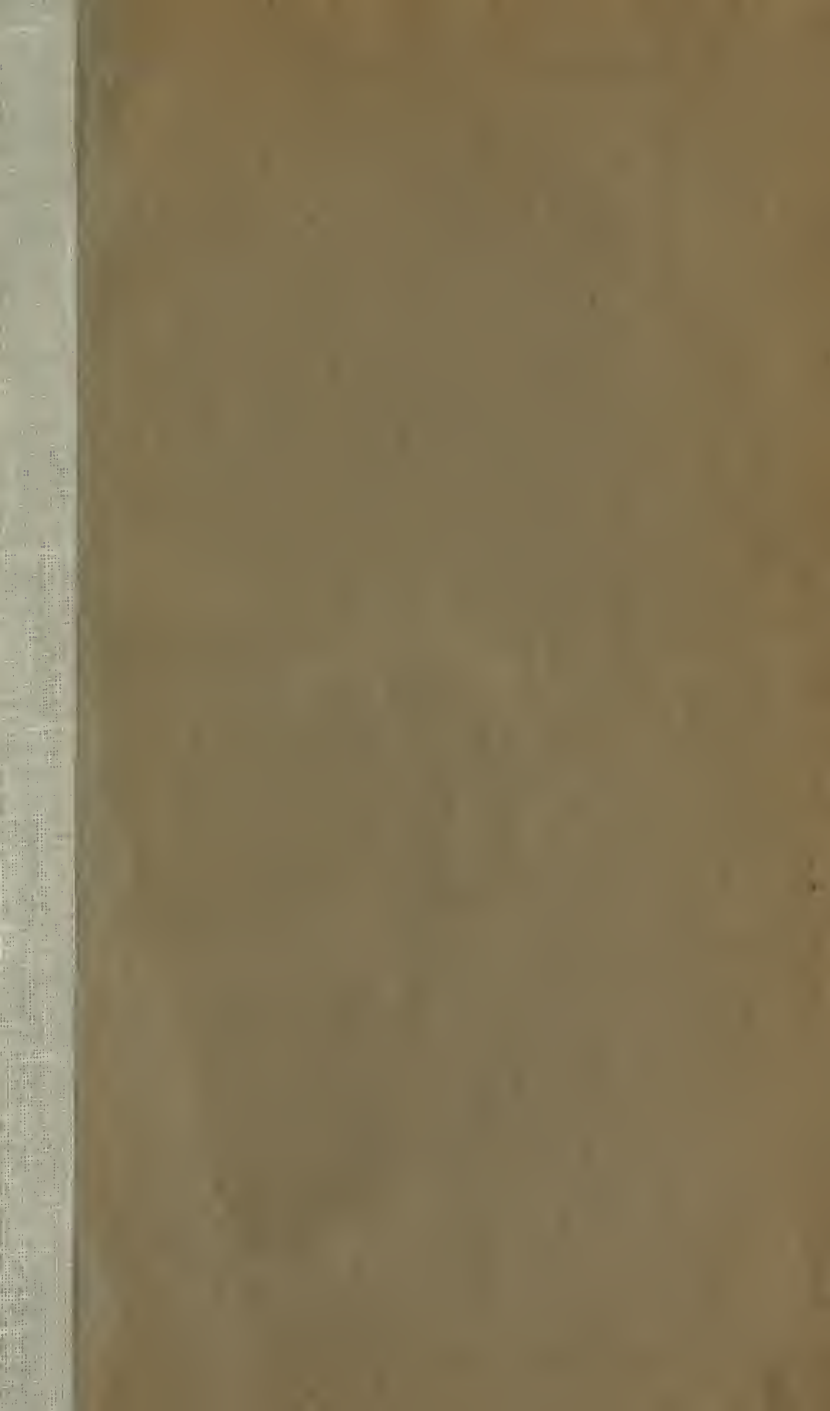
Now let us see how the public would benefit. Every merchant, every banker, every tradesman would know, to begin with, that no bank-note could be good, unless it was executed in the finest style of penmanship. Where would be the difficulty of every man in the country making himself acquainted with these twenty-five signatures? Every cashier of a banking-house in this city makes it is business to know five hundred hand-writings; they are very rarely imposed upon; it is the only security bankers have, and without this security no banker could last a week. Then with regard to the Franking department at the Post-Office, the clerks there have to attend to at least one thousand signatures; yet how excellently well is this department conducted. Every tradesman sends away goods and pays away money every hour of his life upon the knowledge of hand-writings only. And here we must recollect we have in *our plan* something to guide us; all the signing names are specimens of penmanship. Not so with those gentlemen who frank letters and draw upon bankers; for I have seen in my time, amongst this class, specimens of very loose and careless writing. I can only say, (and I can

have no interest in misleading,) that if the notes were signed in the way I propose, and the Bank were to give me six months to try and forge them, I should be obliged to decline it as too difficult a job, to say nothing of the prejudice implanted by early education and habit to get my bread in another way.

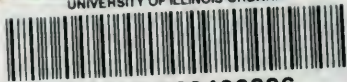
To this I will only add that, in the only two cases of forgery that came under my cognizance, the parties *never could have committed the crime* had they been required to imitate specimens of fine penmanship.

Whereabouts on the note the signatures are placed is a mere matter of detail. Perhaps, four or five signatures might be better than three. I see no objection to it, excepting that I think three would answer the purpose as well.

THE END.



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